Spirit Bear Capital Corp.
(A Capital Pool Company)

Management Discussion & Analysis

For the three months ended April 30, 2012

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This Management Discussion and Analysis ("**MD&A**") of financial position and results of operation are as at June 28, 2012 and should be read in conjunction with the unaudited financial statements (the "**Financial Statements**") for the three months ended April 30, 2012 and related notes. The Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis are quoted in Canadian dollars. Additional information can be found at the website www.sedar.com.

Certain sections of this MD&A may contain forward-looking statements.

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Readers are cautioned that these statements which describe the Company's plans, objectives, and budgets may differ materially from actual results. Such forward looking statements in the MD&A are only made as of June 28, 2012. See additional discussion under "Risks and Uncertainties" section.

CORPORATE PROFILE

Spirit Bear Capital Corp. (the "**Company**") was incorporated under the Business Corporations Act (British Columbia) on November 8, 2011. On May 14, 2012, the Company successfully completed its Initial Public Offering ("**IPO**") and commenced trading its stock on the TSX Venture Exchange ("**TSX-V**") under the symbol SBG-P. The Company is classified as a Capital Pool Company ("**CPC**") as defined in the TSX-V Policy 2.4. The principal business of the Company is the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities.

The Company's head office, principal address and registered and records office is located at 300-576 Seymour Street, Vancouver, British Columbia, Canada, V6B 3K1.

RESULTS OF OPERATIONS

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are expressed in Canadian ("CDN") dollars unless otherwise indicated. All information contained in this MD&A is current as of June 28, 2012 unless otherwise stated.

As at April 30, 2012, the Company was a CPC. Accordingly, the Company has not recorded any revenues, and depends upon share issuances to fund its administrative expenses. See the summary of results, below:

Selected Financial Data

	Three-months ended April 30, 2012	***Fiscal Period Ended January 31, 2012***
	$	**$**
Revenues	-	-
General and administrative expenses	(6,128)	(5,989)
Net and comprehensive loss	(6,128)	(5,989)
Basic and diluted loss per share	-	-
Working capital	48,471	94,012
Total assets	98,952	99,955
Total shareholders' equity	87,884	94,012

Net Loss

At April 30, 2012, the Company recorded a net loss of $6,128 (January 31, 2012 - $5,989). Net loss was primarily due to professional fees.

Expenses

The operating and administrative expenses for the three months ended April 30, 2012 totalled $6,128 (January 31, 2012 - $5,989). Comparatively, the major expenses were professional fees of $6,068 (January 31, 2012 - $5,943).

The table below details the changes in major expenditures for the three months ended April 30, 2012 as compared to the fiscal period ended on January 31, 2012.

Expenses	**Increase / Decrease in Expenses**	**Explanation for Change**
Professional fees	Increase of $125	Increase due to increase in accounting fees for the three months ended April 30, 2012

Summary of quarterly results for the last consecutive 8 quarters

Historical quarterly financial information derived from the Company's eight most recently completed quarters is as follows:

	Quarters Ended			
	April 30, 2012	**January 31, 2012**	**October 31, 2011**	**July 31, 2011**
	$	$	$	$
Loss	(6,128)	(5,989)	-	-
Loss Per Share	-	-	-	-
Weighted Average Shares	-	-	-	-
	April 30, 2011	**January 31, 2011**	**October 31, 2010**	**July 31, 2010**
	$	$	$	$
Loss	-	-	-	-
Loss Per Share	-	-	-	-
Weighted Average Shares	-	-	-	-

Loss per share and weighted average shares calculation does not include 2,000,012 escrowed shares as they are contingently returnable.

LIQUIDITY AND CAPITAL RESOURCES

The Company has financed its operations to date through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt.

As at April 30, 2012, the Company's liquidity and capital resources are as follows:

	April 30, 2012	January 31, 2012
	$	$
Cash	59,539	99,955
Total current assets	59,539	99,955
Accounts payable and accrued liabilities	11,068	5,943
Working capital	48,471	94,012

As at April 30, 2012, the Company had cash of $59,539 and working capital of $48,471 as compared to cash of $99,955 and working capital of $94,012 at January 31, 2012. On May 14, 2012, the Company completed its initial public offering of 3,000,000 common shares at a price of $0.10 per common share for gross proceeds of $300,000.

Management believes the Company has sufficient funds on hand to meet anticipated administrative expenses and necessary investigation costs associated with reviewing and identifying assets or business prospects in the furtherance of the Company's search for a suitable Qualifying Transaction. The Company anticipates that its funds on hand will be sufficient to complete the search for a Qualifying Transaction as well as legal and other related expenses.

As of the date hereof, the Company did not have any commitments for capital expenditures, and the Company does not anticipate any such commitments until it consummates a Qualifying Transaction.

As a CPC, the Company is subject to externally imposed capital requirements as outlined in Exchange Policy 2.4 and summarized below:

1) No salary, consulting, management fees or similar remuneration of any kind may be paid directly or indirectly to a related party of the Company or a related party of a Qualifying Transaction;

2) Gross proceeds realized from the sale of all securities issued by a CPC may only be used to identify and evaluate assets or businesses and obtain shareholder approval for a Qualifying Transaction;

3) No more than the lesser of $210,000 and 30% of the gross proceeds from the sale of securities issued by a CPC may be used for purposes other than to identify and evaluate Qualifying Transactions;

4) After the completion of its IPO and until the completion of a Qualifying Transaction, a CPC may not issue any securities unless written acceptance of the Exchange is obtained before the issuance of the securities.

SHAREHOLDERS' EQUITY

As at April 30, 2012, the Company had 2,000,012 common shares issued and outstanding of which all 2,000,012 shares of the Company are held in escrow and will be released to shareholders upon completion of a qualified transaction in accordance with Exchange Policy 2.4 over a period of up to 36 months.

STOCK OPTIONS AND WARRANTS

Stock Options

The Company has adopted a stock option plan (the "Stock Option Plan") pursuant to which it can grant options to directors, officers and technical consultants for up to 10% of the issued and outstanding common shares. Under the plan, the exercise price of an option may not be less than the closing market price during the trading day immediately preceding the date of the grant of the option, less any applicable discount allowed by the TSX-V. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors.

Any common shares acquired pursuant to the exercise of options prior to the completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

Concurrent with the closing of the Offering, the Company granted 500,000 stock options to its directors and officers to acquire 500,000 common shares at a price of $0.10 per common share for a period of 5 years from May 14, 2012.

As at the date of this report, the Company had 500,000 stock options outstanding.

OFF-BALANCE SHEET TRANSACTIONS

The Company does not have any off-balance sheet arrangements as at April 30, 2012 or as of the date of this report.

CRITICAL JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates on the resulting effects of the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

All of the Company's significant accounting policies and estimates are included in Note 2 of its unaudited Financial Statements for the three months ended April 30, 2012. The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based compensation and recognition of deferred tax amounts as follows:

Valuation of share-based compensation
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rates, and forfeiture rates. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Income taxes
In assessing the probability of realizing income tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

RISKS & UNCERTAINTIES

The Company is actively working to identify and evaluate assets or businesses in order to complete a Qualifying Transaction and currently has no source of recurring income. The Company has not commenced commercial operations, and has no significant assets other that cash, has no history of earnings and shall not generate earnings or pay dividends until at least after the completion of a Qualifying Transaction, if at all. Until the completion of a Qualifying Transaction, the Company is not permitted to carry on any other business other than the identification and evaluation of Significant Assets in pursuit of a Qualifying Transaction.

There can be no assurances that the Company will identify any assets or businesses in pursuit of a Qualifying Transaction, or have the financial resources necessary to complete a Qualifying Transaction. Nor can there be an assurance that the Company will be able to obtain additional financing in the future on terms acceptable to the Company or at all.

The Company's success depends to a certain degree upon key members for the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management team or certain key employees could have a material adverse effect on the Company.

FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

Fair Value

The Carrying values of the financial instruments noted above approximate their fair values due to their immediate or short term maturity.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions and management actively negotiates favorable market related interest rates.

Currency Risk

The Company's operations and financing activities are conducted in Canadian dollars and as a result, the Company is not subject to significant exposure to market risks from changes in foreign currency rates.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities are due within the current operating period. The Company has a sufficient cash balance to settle current liabilities.

Capital Management

The Company defines capital as the Company's shareholder's equity. The Company's objectives when managing capital is to safeguard its accumulated capital by maintaining a sufficient level of funds to complete the Company's qualifying transaction (as defined in policy 2.4 of the Exchange) while providing adequate returns to shareholders. See note 6 of the unaudited Financial Statements for the three months ended April 30, 2012 for further discussion.

DISCLOSURE OF DATA FOR OUTSTANDING COMMON SHARES AND OPTIONS

As at the date of this report, the Company had 5,000,012 common shares outstanding and 500,000 stock options outstanding.

The following table summarizes the options outstanding and exercisable at the date of this report:

Options outstanding	Exercise price	Options exercisable	Expiry date
	$		
500,000	0.10	500,000	May 14, 2017

CORPORATE GOVERNANCE

The Company's Board and its committees substantially follow the recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The current Board is comprised of 3 individuals, 1 of whom is an executive officer and director of the Company. The Audit Committee is comprised of 2 directors, both of whom are independent of the management of the Company.

EVALUATION OF DISCLOSURE CONTROLS & PROCEDURES

Management has evaluated the effectiveness of its disclosure controls and procedures and has concluded that they are sufficiently effective to provide reasonable assurance that material information relating to the Company is made known to management and disclosed in accordance with applicable securities regulations.

OTHER MD&A REQUIREMENTS

Additional information relating to the Company may be found on SEDAR at www.sedar.com.

This MD&A has been approved by the Board on June 28, 2012.